

WHITE & CASE LLP
1155 Avenue of the Americas
New York, New York 10036-2787
Telephone: (212) 819-8200
Facsimile: (212) 354-8113
J. Christopher Shore
Harrison L. Denman

-AND-

MILBANK, TWEED, HADLEY & M^cCLOY LLP
1 Chase Manhattan Plaza
New York, New York 10005
Telephone: (212) 530-5000
Facsimile: (212) 530-5219
Gerard Uzzi
Dennis C. O'Donnell

Attorneys for the Ad Hoc Group
of Junior Secured Noteholders

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re)	
)	Chapter 11
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	
)	Case No. 12-12020 (MG)
Debtors.)	
)	Jointly Administered

**EX PARTE MOTION OF AD HOC GROUP OF JUNIOR SECURED
NOTEHOLDERS FOR ORDER SHORTENING NOTICE WITH RESPECT TO
MOTION FOR ORDER IN AID OF MEDIATION AND SETTLEMENT**

TO THE HONORABLE MARTIN GLENN,
UNITED STATES BANKRUPTCY JUDGE:

The ad hoc group (the “Ad Hoc Group”) of holders or managers of holders of 9.625% Junior Secured Guaranteed Notes due 2015 (the “Junior Secured Notes”) of Residential Capital, LLC (together with its affiliated debtors in the above-captioned cases, the “Debtors”), by and through its undersigned counsel, hereby files this motion (the “Motion”) for entry of an order

pursuant to Rule 9006(c)(1) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), substantially in the form attached hereto as Exhibit A, shortening notice with respect to the Motion of the Ad Hoc Group of Junior Secured Noteholders for Order in Aid of Mediation and Settlement (the “Supplemental Mediation Motion”).¹ In support of the Motion, the Ad Hoc Group respectfully represents as follows:

FACTS RELEVANT TO THE RELIEF REQUESTED

1. Pursuant to the Supplemental Mediation Motion, filed contemporaneously herewith, the Ad Hoc Group seeks entry of an order that the Ad Hoc Group believes will aid in allowing principals from the Junior Secured Noteholders to participate in mediation and settlement negotiations.

RELIEF REQUESTED

2. By this *ex parte* Motion, the Ad Hoc Group seeks entry of an order pursuant to Bankruptcy Rule 9006(c)(1), substantially in the form attached hereto as Exhibit A, (i) shortening notice with respect to the hearing on the Supplemental Mediation Motion; (ii) setting the Supplemental Mediation Motion for a hearing on July 26, 2013 at 10:00 a.m. (prevailing Eastern Time); and (iii) setting the deadline for the service and filing of objections to the Supplemental Mediation Motion as July 24, 2013 at 4:00 p.m. (prevailing Eastern Time).²

JURISDICTION

3. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory bases for the relief requested herein

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Supplemental Mediation Motion.

² Any reply will be filed and served in accordance with the Case Management Procedures (as defined below).

are Bankruptcy Rule 9006(c)(1) and Rules 9006-1(b) and 9077-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”).

BASIS FOR REQUESTED RELIEF

4. Bankruptcy Rule 9006(c)(1) authorizes the Court, for cause shown, to reduce the notice period otherwise required for a hearing under the Bankruptcy Rules. See Fed. R. Bankr. P. 9006(c)(1). Paragraph 14 of the Case Management Procedures [Docket No. 141] (the “Case Management Procedures”) also authorizes the Court to shorten the notice period otherwise required by the Bankruptcy Rules upon request of a party in interest. In addition, Local Rule 9077-1 provides that the Court may grant *ex parte* relief for cause shown. LBR 9077-1. Further, pursuant to Bankruptcy Rule 9007, the Court has authority to determine appropriate notice for conducting a hearing on the matters presented by the Supplemental Mediation Motion. See Fed. R. Bankr. P. 9007.

5. Cause exists to grant this Motion on an *ex parte* basis and to reduce the notice period for the hearing on the Supplemental Mediation Motion. The Mediator has tentatively scheduled a mediation session with the Mediation Parties, including certain Junior Secured Noteholder principals, on July 30, 2013. However, absent entry of the Proposed Order (or other relief), those Junior Secured Noteholder principals will not be able to participate in such mediation. The need to begin the mediation (and settlement negotiations) as soon as possible is also key, given the timing of the hearings with respect to the adversary proceeding against the Junior Secured Notholders and confirmation of the Debtors’ chapter 11 plan.

6. No party in interest will be unduly prejudiced by expedited consideration of the relief requested in the Supplemental Mediation Motion.

CONSULTATION WITH THE DEBTORS

7. As required by paragraph 14 of the Case Management Procedures, the Ad Hoc Group has advised counsel to the Debtors and the Creditors' Committee of its intent to file this Motion, and they have no objection to this Motion.

NO PRIOR REQUEST

8. No prior application for the relief requested in this Motion has been made to this Court or any other court.

NOTICE

9. Pursuant to Bankruptcy Rule 9006(c)(1), the Court may shorten time without notice. Although no notice of this Motion was required to be given, the Ad Hoc Group has served a copy of this Motion on the Debtors and on the counsel to Creditors' Committee.

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WHEREFORE, for the reasons set forth herein, the Ad Hoc Group respectfully requests that the Court (i) enter an order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein; and (ii) grant such other and further relief as is just and proper.

Dated: July 18, 2013
New York, New York

WHITE & CASE LLP
1155 Avenue of the Americas
New York, New York 10036-2787
Telephone: (212) 819-8200
Facsimile: (212) 354-8113
J. Christopher Shore
Harrison L. Denman

- and -

By: Gerard Uzzi
MILBANK, TWEED, HADLEY &
M^cCLOY LLP
1 Chase Manhattan Plaza
New York, New York 10005
Telephone: (212) 530-5000
Facsimile: (212) 530-5219
Gerard Uzzi
Dennis C. O'Donnell

Attorneys for the Ad Hoc Group
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Exhibit A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re)	
)	Chapter 11
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	
)	Case No. 12-12020 (MG)
Debtors.)	
)	Jointly Administered

**ORDER SHORTENING NOTICE WITH RESPECT TO MOTION FOR
ORDER IN AID OF MEDIATION AND SETTLEMENT**

Upon the motion (the “Motion”)¹ of the Ad Hoc Group of Junior Secured Noteholders (the “Ad Hoc Group”) for entry of an order (this “Order”) shortening notice with respect to the Motion of the Ad Hoc Group of Junior Secured Noteholders for Order in Aid of Mediation and Settlement (the “Supplemental Mediation Motion”); it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these chapter 11 cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and this Court having found that proper and adequate notice of the Motion and opportunity for hearing on the Motion has been provided under the circumstances; and after due deliberation thereon; and good and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.

¹ Capitalized terms not otherwise defined herein are to be given the meanings ascribed to them in the Motion.

2. The hearing on the Supplemental Mediation Motion is scheduled for July 26, 2013 at 10:00 a.m. (prevailing Eastern Time).

3. The deadline to object or respond to Supplemental Mediation Motion is set for July 24, 2013 at 4:00 p.m. (prevailing Eastern Time).

4. The Ad Hoc Group shall serve a copy of the Supplemental Mediation Motion and this Order in the manner described in the Case Management Procedures [Docket No. 141] (the "Case Management Procedures").

5. This Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: New York, New York
July __, 2013

HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE